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**Zoellick to Attend Trade Meetings in Paris April 28 - May 1
*Meetings in Berlin and Munich with German Officials
and Key Business Leaders on May 2 - 3***

WASHINGTON - U.S. Trade Representative Robert B. Zoellick will travel to Paris, France next week to discuss trade issues at the annual meeting of the Organization for Economic Cooperation and Development (OECD) and to meet bilaterally with his ministerial colleagues to review the current state of global trade negotiations.

The trade negotiations were launched at the 4th World Trade Organization (WTO) Ministerial in Doha, Qatar in November 2001. The 5th Ministerial, viewed as an important mid-point to the negotiations, is scheduled for September 10-14, 2003 in Cancun, Mexico.

“Doha represents a once in a generation opportunity to achieve bold, multilateral trade liberalization. It is critical that Ministers focus now on the key elements of these historic negotiations. The United States played a key role in helping to launch the current Doha trade negotiations, and we remain steadfastly committed to a successful conclusion that delivers historic trade liberalization across the three core areas of agriculture, services and goods,” said Zoellick. “One of the Doha Development Agenda’s primary goals is to promote development throughout the world, particularly among poor countries, and we shouldn’t settle for half steps that won’t deliver meaningful results.

“This is a very sensitive time in the world economy and in these negotiations. The road to Cancun requires us all to continue exploring ways to bridge differences and develop the consensus necessary to move forward,” added Zoellick.

Zoellick is expected to meet with French Economic Minister Mer on Monday, April 28th, and to continue with bilaterals with several developing countries on Tuesday. Following the OECD meetings on Wednesday, April 30th, Zoellick and European Union Trade Commissioner Pascal Lamy will hold bilateral meetings on Thursday, May 1 to continue exploring ways to move the trade talks forward.

On Friday, May 2 Zoellick will be in Berlin, Germany for meetings with government officials and German business leaders. On Saturday, May 3, Zoellick will give midday remarks at the

Munich Economic Summit and will meet with business executives to discuss the importance of the Doha WTO negotiations.

Background:

Market access, particularly for agricultural products, is widely considered to be at the heart of the Doha trade negotiations. In order to spur momentum in the talks, the United States has made bold proposals in all three core negotiation areas:

- The United States has made proposals to liberalize global trade in services, designed to remove foreign barriers in areas such as financial services, telecommunications, and environmental services. According to a University of Michigan study, a one-third cut in global barriers to trade in services would increase U.S. annual income by \$150 billion. Total elimination of barriers in services would raise U.S. annual income gain by over \$450 billion. For Western Europe, a one-third cut in global barriers to trade in services would increase their annual income by \$103 billion; total elimination by \$313 billion.

Trade in services also benefits developing countries greatly. Services liberalization and modernization can help developing countries jump start the economic growth necessary for reducing poverty. The World Bank estimates that services liberalization by developing countries could yield income gains for them of nearly \$900 billion annually.

- The United States was the first WTO member to put forward a comprehensive agricultural trade reform proposal, calling for elimination of export subsidies, cuts of \$100 billion in annual allowed global trade-distorting domestic subsidies, and lowering average allowed global tariffs from 62 percent to 15 percent. The United States also proposed that WTO members agree in this negotiation to a specific date for elimination of agricultural tariffs and trade-distorting domestic support.

Also according to the World Bank, developing countries would gain nearly two-thirds of the benefit from global free trade in goods including agriculture. Their increase in annual income would amount to \$539 billion. The bank further found that free trade could help lift 300 million people out of poverty - a number greater than the entire population of the United States.

- The United States proposed eliminating all tariffs on consumer and industrial goods by 2015. The U.S. plan for zero tariffs is comprehensive, would benefit both developed and developing nations, and would eliminate tariffs on the nearly \$6 trillion in annual world goods trade, lifting the economic fortunes of workers, families, businesses, and consumers. A University of Michigan study found that the U.S. economy would expand by \$95 billion as a result of tariff-free trade - contributing to job-creation and higher wages. The same study found gains of up to \$192 billion for the EU and EFTA together (Western Europe).